

SENATE BILL 377

By Overbey

AN ACT to amend Tennessee Code Annotated, Title 2,
Chapter 10, relative to investment of campaign
funds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 2, Chapter 10, Part 1, is amended by
adding the following as a new section:

(a) All campaign funds must be deposited into and maintained in a financial institution insured by the federal deposit insurance corporation or the national credit union administration duly authorized to do business in Tennessee and operating under the authority of the department of financial institutions, the United States comptroller of the currency, or the federal reserve board.

(b) Any interest, dividends, or income earned by an investment made pursuant to subsection (a) must be reported on the candidate's or political campaign committee's financial disclosure report.

(c) Any campaign contribution received in a non-monetary form may be held in the form received until the contribution is used to pay expenditures. The funds must be deposited in accordance with subsection (a) at the time of conversion.

(d) Any investment not authorized by subsection (a) is prohibited and the candidate, or in the case of a multicandidate political campaign committee, the treasurer, shall be subject to a civil penalty by the registry of election finance. The registry of election finance may impose a maximum civil penalty for a violation of this section of not more than ten thousand dollars (\$10,000) or one hundred fifteen percent (115%) of the amount invested in violation of this section, whichever is greater.

SECTION 2. This act shall take effect July 1, 2017, the public welfare requiring it.